

FINANCE & UTILITY COMMITTEE MEETING
Wednesday, May 15, 2019, 6:00 PM

The Committee meeting was called to order at 6:00 p.m. by Mayor Jeff Snoots. Those present included: Mayor Jeff Snoots, Council Member John Dayton, Council Member Tom Smith, Committee Member Carroll Jones, Committee Member Syree Williams, City Administrator David Dunn, Public Works Director John Gerstner, Chief of Police Milt Frech, Waste Water Superintendent Patrick Hoffmaster, Water Superintendent Matt Campbell, City Clerk Carrie Myers, and Accountant Rich Marshall.

- 811 Update/Sprinkler System Question

Dave and John Strong discussed this item. A sprinkler system is not required at 811 because of the concrete and steel construction of the building. There would be a cost savings of \$50,000 if one was not installed. An elaborate fire alarm system would be needed whether a sprinkler system is installed or not. Consensus of the Committee is not to install a sprinkler system.

- Main Street – Smoketown Grant Request

Sophie Smith stated that Main Street would like to apply for a Strategic Demolition grant to help install a sprinkler system at Smoketown Brewing Station. The estimated cost for the sprinkler system and the City's connection fees for a 4" water line would be \$253,000. Sophie stated that a 25% in-kind match is required and asked if the City would waive that \$59,000 from the connection fee as the match.

Committee members discussed being unsure about helping one particular private business, but agreed they would feel more comfortable if the City had a designated program to assist any business with connection fees. After a lengthy discussion, the Committee consensus was to develop a connection fee assistance program that capped the City's waiver at 30% of the applicable connection fees. They also agreed that the connection fee cost for establishing businesses could be spread over a five year period as part of the program. The Committee requested this item be added to the May 28, 2019 Council agenda for approval before the Main Street grant is due. In this instance, the City's match to the grant for Smoketown would be 30% of the total connection fees (\$152,690), or \$45,800. Mr. Blackmon would be responsible for making up the difference of the 25% match for the whole grant by Main Street.

- Main Street –Downtown Grant Request

Sophie Smith stated that another grant request that Main Street is considering is for an extensive project in downtown to replace sidewalks, lighting, parking meters, and greenery. This program would be comprised of several different grants, all leveraging money and matches from one another. Ms. Smith asked if the City would be in a position to contribute any match funding should it be required. After a lengthy discussion about the need for new sidewalks and lighting, Ms. Smith stated she would be back with a more specific ask if one was required as she was putting the grant applications together.

- Water Connection Fee Waiver

Charlie Smith approved Dave regarding two properties he owns on West Potomac Street that are currently metered separately, but served by one service line. He would like to separate the service lines and requested a waiver of the connection fee. The Committee agreed by consensus.

- 1106 Petersville Road – Potential Acquisition

The City has a chance to purchase this property for approximately \$40,000 and would like to demolish it. Committee Members suggested using this area for a stormwater pond to help with credit in the City's WIP. Carrie stated the City would be applying for a Strategic Demolition grant to assist with the cost of acquisition and demolition. The Committee agreed that the City should move ahead with this purchase even if grant funding isn't awarded.

- FY2020 Budget

Dave discussed changes made to the budget since the last Committee meeting. The biggest change staff would like to make it to program more money to I&I work out of the \$1 million loan proceeds the Committee discussed taking into the sewer fund. The consensus was to program \$300,000 for I&I work, and potentially create a program where the City would offer assistance to homeowners as we begin requiring them to make their own I&I corrections on private property.

- FY2019 Finance Reports

The meeting adjourned at 7:25pm.

-Prepared and submitted by Carrie Myers